

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN KARL WAITSCHIES**, on March 16, 2005 at 8:00 A.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Karl Waitschies, Chairman (R)
Rep. Gary Branae, Vice Chairman (D)
Rep. Bob Lake, Vice Chairman (R)
Rep. John Balyeat (R)
Rep. Norma Bixby (D)
Rep. Edward B. Butcher (R)
Rep. Jill Cohenour (D)
Rep. Tom Facey (D)
Rep. Wanda Grinde (D)
Rep. George G. Groesbeck (D)
Rep. Dennis Himmelberger (R)
Rep. Carol Lambert (R)
Rep. Dave McAlpin (D)
Rep. Jim Peterson (R)
Rep. John (Jack) W. Ross (R)
Rep. Scott Sales (R)
Rep. Bill Warden (R)
Rep. Brady Wiseman (D)

Members Excused: None.

Members Absent: Rep. Margaret H. Campbell (D)
Rep. Holly Raser (D)

Staff Present: Jeff Martin, Legislative Branch
Debra Polhemus, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 625, 3/11/2005; HB 770,
3/11/2005; HB 771, 3/11/2005; SB
432, 3/11/2005; SB 438, 3/11/2005
Executive Action: HJ 2; HB 625; HB 689; HB 758
HB 724; SB 70; SB 74; SB 92

EXECUTIVE ACTION ON HJ 2

continuation from Executive Action of 2/29/05

00:03:26 Jeff Martin, Legislative Services Division
00:07:31 **REP. HIMMELBERGER**

00:08:40 **Motion: REP. LAMBERT moved that HJ 2 BE AMENDED.**

00:09:11 **Without objection, REP. LAMBERT WITHDREW THE MOTION.**

00:09:20 **Motion/Vote: REP. COHENOUR moved to RECONSIDER PREVIOUS ACTION on Amendment to HJ 2. Motion carried unanimously by voice vote.**

00:10:13 **Motion: REP. WISEMAN moved that HJ 2 BE AMENDED.**

Discussion:
00:10:30 **REP. HIMMELBERGER**

00:13:12 **Substitute Motion/Vote: REP. PETERSON moved TO SEGREGATE section 2, 5 and 9. Motion carried by unanimous vote.**

00:14:38 **Vote: Segregated amendment passes unanimously by voice vote.**

00:14:52 **Motion: REP. HIMMELBERGER moved that HJ 2 BE AMENDED.**

EXHIBIT(tah58a01)

Discussion:
00:15:48 **REP. BRANAE**
00:16:11 **REP. HIMMELBERGER**
00:16:54 **REP. COHENOUR**

00:17:06 **Vote: Motion carried 17-3 by roll call vote with REPS. BIXBY, COHENOUR, and SALES voting no and REPS. CAMPBELL and RASER voting by proxy.**

00:18:14 **Motion/Vote:** REP. LAMBERT moved that HJ 2 DO PASS
AS AMENDED. Motion carried 19-1 by voice vote with
REP. SALES voting no and REPS. CAMPBELL and RASER
voting by proxy.

HEARING ON SB 438

00:24:53 **Opening Statement by Sponsor:**
SEN. JIM ELLIOTT (D), SD 7, opened the hearing on
SB 438, Allow county park boards to retain
interest earnings on deposits.

00:25:37 **Proponents' Testimony:**
L. Harold Blattie, Montana Association of Counties

00:25:37 **Opponents' Testimony:** None.

00:25:37 **Informational Testimony:** None.

00:26:42 **Questions from Committee Members and Responses:**
CHAIRMAN WAITSCHIES
00:27:19 REP. LAMBERT
00:28:02 CHAIRMAN WAITSCHIES

00:29:06 **Closing by Sponsor:**
SEN. JIM ELLIOTT (D), SD 7 closed the hearing on
SB 438.

HEARING ON HB 625

00:30:31 **Opening Statement by Sponsor:**
REP. DIANE RICE (R), HD 71, opened the hearing on
HB 625, Revise laws governing resort communities
and resort areas.

00:31:46 **Proponents' Testimony:**
L. Harold Blattie, Montana Association of Counties

00:31:46 **Opponents' Testimony:** None.

00:31:46 **Informational Testimony:** None.

00:32:50 **Questions from Committee Members and Responses:**
REP. PETERSON
00:33:45 REP. WARDEN

Closing by Sponsor:

00:34:21 **REP. DIANE RICE (R), HD 71** closed the hearing on
HB 625.

HEARING ON SB 432

Opening Statement by Sponsor:

00:35:15 **SEN. JOHN BRUEGGEMAN (R), SD 6**, opened the hearing
on **SB 432**, Revise family education savings
program.

Proponents' Testimony:

00:35:45 Rod Sundstead, Associate Commissioner of Fiscal
Affairs, Montana University System
00:40:54 Kayle French, Student Regent, and Montana Family
Education Savings Program
00:41:56 Jessica Grennan, Associated Students at University
of Montana
00:42:27 Joe Mazurek, representing D.A. Davidson & Company

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

00:43:02 **REP. LAMBERT**

Closing by Sponsor:

00:46:36 **SEN. JOHN BRUEGGEMAN (R), SD 6** closed the hearing
on **SB 432**.

HEARING ON HB 770

Opening Statement by Sponsor:

00:48:54 **REP. DAVE GALLIK (D), HD 79**, opened the hearing on
HB 770, Revise tax laws by increasing the
corporation miniumum tax.

Proponents' Testimony: None.

Opponents' Testimony: None.

Informational Testimony:

00:54:18 Larry Finch, Montana Department of Revenue
00:54:30 L. Harold Blattie, self

Questions from Committee Members and Responses:

00:55:02 REP. BUTCHER
01:00:15 REP. SALES
01:00:52 REP. HIMMELBERGER
01:02:04 CHAIRMAN WAITSCHIES
01:03:49 REP. BUTCHER
01:04:05 REP. LAKE
01:05:35 CHAIRMAN WAITSCHIES
01:06:26 REP. BUTCHER

Closing by Sponsor:

01:07:51 REP. DAVE GALLIK (D), HD 79 closed the hearing on
HB 770.

HEARING ON HB 771

Opening Statement by Sponsor:

01:10:25 REP. BOB BERGREN (D), HD 33, opened the hearing on
HB 771, Revise taxation of motor homes owned by
business entities.

Proponents' Testimony:

01:12:25 Stuart Doggett, representing Montana Manufactured
Housing and RV Dealers Association
01:14:49 Mark Bretz, Bretz RV & Marine, Missoula

Opponents' Testimony: None.

Informational Testimony:

01:15:42 Larry Finch, Montana Department of Revenue
01:17:45 Clint Blackwood, State Director, Montana Lewis &
Clark Commission

EXHIBIT (tah58a02)

01:18:41 John M. Bennett, Bennett Law Offices, Missoula

Questions from Committee Members and Responses:

01:19:10 REP. WARDEN
01:20:50 REP. FACEY
01:22:16 REP. HIMMELBERGER
01:22:56 REP. PETERSON
01:24:10 REP. FACEY
01:26:39 REP. GROESBECK

Closing by Sponsor:

01:32:16 REP. BOB BERGREN (D), HD 33, closed the hearing on
HB 771.

01:33:22 Break
01:54:14 Resume

EXECUTIVE ACTION ON HB 625

01:54:38 **Motion:** REP. PETERSON moved that HB 625 DO PASS.

01:54:46 **Motion:** REP. PETERSON moved that HB 625 BE AMENDED.

EXHIBIT (tah58a03)

Discussion:
01:55:55 CHAIRMAN WAITSCHIES

01:56:04 **Vote:** Motion carried by voice vote.

01:56:16 **Motion:** REP. PETERSON moved that HB 625 DO PASS AS AMENDED.

Discussion:
01:56:25 REP. HIMMELBERGER
01:56:52 REP. PETERSON

01:57:34 **Vote:** Motion carried unanimously by voice vote with REPS. FACEY, BIXBY and RASER voting by proxy.

EXECUTIVE ACTION ON HB 689

01:58:20 **Motion:** REP. HIMMELBERGER moved that HB 689 DO PASS.

01:58:45 **Motion:** REP. HIMMELBERGER moved that HB 689 BE AMENDED.

EXHIBIT (tah58a04)

Discussion:
01:59:01 Jeff Martin, Legislative Services Division

02:00:46 **Vote:** Motion carried by voice vote.

02:01:11 **Motion:** REP. HIMMELBERGER moved that HB 689 DO PASS AS AMENDED.

Discussion:
02:01:16 REP. COHENOUR
02:01:37 REP. LAMBERT
02:03:11 REP. COHENOUR

02:03:33 **Vote:** Motion failed 10-10 by roll call vote with REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE, LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and WARDEN voting aye and REPS. FACEY, GRINDE, RASER, GROESBECK and WISEMAN voting by proxy.

EXECUTIVE ACTION ON HB 758

02:05:42 **Motion:** REP. PETERSON moved that HB 758 DO PASS.

02:05:53 **Motion:** REP. PETERSON moved that HB 758 BE AMENDED.

EXHIBIT (tah58a05)

Discussion:

02:06:20 Jeff Martin, Legislative Services Division

02:07:37 *REP. RASER arrived at Committee Meeting.*

02:12:17 **REP. LAKE**
02:12:48 **CHAIRMAN WAITSCHIES**

02:12:59 *REP. FACEY arrived at Committee Meeting.*

02:13:03 **Vote:** Motion carried by voice vote.

02:13:21 **Motion:** REP. PETERSON moved that HB 758 DO PASS AS AMENDED.

Discussion:

02:13:30 **REP. PETERSON**
02:14:14 **REP. McALPIN**
02:14:49 **REP. WARDEN**
02:15:29 **REP. FACEY**

02:15:57 **Vote:** Motion carried 13-7 by roll call vote with REPS. BRANAE, COHENOUR, GRINDE, GROESBECK, MCALPIN, RASER, and WISEMAN voting no and REPS. GRINDE, GROESBECK and WISEMAN voting by proxy.

EXECUTIVE ACTION ON HB 724

02:17:50 **Motion:** REP. SALES moved that HB 724 DO PASS.

02:18:50 **Motion:** REP. BUTCHER moved that HB 724 BE AMENDED.

EXHIBIT (tah58a06)

Discussion:

02:19:23 Jeff Martin, Legislative Services Division
 02:25:38 **REP. SALES**
 02:25:56 **REP. COHENOUR**
 02:26:28 **REP. BALYEAT**

02:27:01 **Vote: Motion failed by voice vote.**

Discussion:

02:27:31 **REP. LAMBERT**
 02:28:06 **REP. BRANAE**
 02:29:43 **CHAIRMAN WAITSCHIES**

EXHIBIT (tah58a07)

02:29:57 **REP. ROSS**
 02:30:21 **REP. COHENOUR**

02:30:47 *REP. WISEMAN arrives at Committee Meeting.*

02:31:04 **REP. SALES**
 02:31:32 **REP. BUTCHER**
 02:33:26 **REP. CAMPBELL**
 02:34:14 **REP. LAMBERT**
 02:34:52 **REP. WISEMAN**

02:35:19 **Vote: Motion failed 2-18 by roll call vote with REPS. BUTCHER and SALES voting aye and REPS. GRINDE and GROESBECK voting by proxy.**

02:36:31 **Motion/Vote: REP. PETERSON moved that HB 724 BE TABLED AND THE VOTE REVERSED. Motion carried by voice vote.**

02:36:45 *REP. GROESBECK and GRINDE arrive at Committee Meeting.*

EXECUTIVE ACTION ON SB 70

02:37:55 **Motion/Vote: REP. COHENOUR moved that SB 70 BE CONCURRED IN. Motion carried unanimously by voice vote. REP. McALPIN will carry SB 70.**

EXECUTIVE ACTION ON SB 74

02:39:02 Motion/Vote: REP. LAMBERT moved that SB 74 BE
CONCURRED IN. Motion carried unanimously by voice
vote. REP. FACEY will carry SB 74.

EXECUTIVE ACTION ON SB 92

02:39:53 Motion: REP. COHENOUR moved that SB 92 BE
CONCURRED IN.

Discussion:

02:40:11 REP. SALES
02:40:27 REP. COHENOUR
02:41:23 REP. FACEY
02:41:47 REP. LAMBERT

02:42:10 Vote: Motion carried 19-1 by voice vote with REP.
HIMMELBERGER voting no. REP. COHENOUR will carry
SB 92.

ADJOURNMENT

Adjournment: 10:50 A.M.

REP. KARL WAITSCHIES, Chairman

DEBRA POLHEMUS, Secretary

KW/dp

Additional Exhibits:

EXHIBIT ([tah58aad0.TIF](#))